NH ODD Fund Case Study



The Elliott at Rivers Edge, Manchester

Overview

The Tyson Food's Jac Pac Food Ltd. facility on Hancock Street in Manchester shut down in 2004. Hundreds of workers lost their jobs. The company created a liquidation company to dispose of the property, however, redevelopment was stymied by significant contamination associated with their boiler facility and underground storage tanks. DES worked closely with Jac Pac initially, then the city of Manchester and the site developer, Anagnost, to address the petroleum contamination. Addressing the contamination facilitated redevelopment of the property and the grand opening of the first building of the \$100+ million redevelopment of the property was held in 2010.

History

The former Jac Pac facility industrial history started in 1893 when it was used for 40 years as a brewery. Then, Granite State Packing Company owned and operated a meat processing facility there from 1933 to 1977. After a series of acquisitions, the facility became Jac Pac Foods, Ltd. The business shut down in 2004. During its operation as a manufacturing facility, this facility used petroleum products for heating, cooking food and fuel for approximately 30 tractor trailers used to distribute its meat products.

At A Glance:

Site Location: Downtown Manchester **Site Profile:** Former Jac Pac and Agway Gas

Facilities Redevelopment

DES Reimbursements: \$205,296 Outcomes:

- 1,734 tons of heavily contaminated soil removed and properly disposed of.
- Comprehensive site investigation completed.
- Two sites were closed and the first phase of a \$100+ million dollar redevelopment project has been completed.

Environmental Assessment and Cleanup

The Elliott at Rivers Edge project actually incorporates two petroleum contaminated sites, the former Jac Pac facility and the former Agway gas station on Queen City Avenue. The Former Jac Pac facility operated eight underground storage tanks: four diesel tanks (4,000, 4,000, 15,000 and 10,000 gallon tanks), two gasoline tanks (1,000 gallons and 2,000 gallons) and two heating oil tanks (1,000 gallons and 500 gallons). Closure of underground storage tanks in 1998 and 1999 uncovered contamination and resulted in the initiation of site investigations. Four more tanks were closed in 2005 and one in 2009. Floating product was present on the water table and was remediated in 2004 by the excavation of 781 tons of contaminated soil in the vicinity of the gasoline tanks and 304 tons of contaminated soil in the vicinity of the diesel tanks. During the negotiations with the developer, it became very important to resolve the handling of

environmental liabilities associated with the Jac Pac property. Rivers Edge Manchester, LLC applied for and was accepted into the state's Covenant Not to Sue program. Under this program, the state covenants not to sue a prospective purchaser in return for successful completion of a site investigation. If the site is remediated, the covenant runs with the land and is transferable. During demolition of the mill complex in 2009, a large #6 fuel oil tank that was previously closed in place was removed and soil contamination was encountered. A total of 649 tons of

contaminated soil was excavated and properly disposed of. Removal of the additional soil made it possible to close the Jac Pac site. The large scale soil removals, the site investigations and groundwater monitoring costs were reimbursed by the ODD Fund. An additional site, the Agway Gas site was acquired as part of the project to provide access to the redevelopment from Queen City Avenue. Approximately 100 tons of contaminated soil was removed from this property in June 2010. DES was able to close this additional site in 2011. Throughout the project DES expedited reviews and decision making to ensure that the construction schedule for the redevelopment project was not impacted.



Former Jac Pac facility.

Redevelopment Project Success

The following information on the redevelopment of this project is quoted from the March 2009 edition of the New England Real Estate Journal. "In 2004, the Manchester lost hundreds of jobs when Tyson Food closed its Jac Pac facility, a large meat-processing plant about a mile south of the city's center. Aware the 17-acre brownfields site, situated at a major gateway into the area south of downtown, was a potentially prime piece of riverfront real estate, city leaders elected to purchase the site to ensure that a redevelopment strategy would be pursued in-keeping with the city's long-term economic and community development goals. In 2006, the developers were invited to submit proposals for acquisition and redevelopment of the property through the Manchester Economic Development Office. The RFP's criteria included requirements for mixed-use development, green building construction, quality design and retention of public open space on the riverfront.

In the spring of 2007, the city entered into a purchase and sales agreement for the site with the Manchester-based development firm, Anagnost Investments Inc. After completing design work and receiving all necessary state and local approvals, the city and Anagnost Investments closed on the property in October of 2008 and the formal groundbreaking took place later that month.

What has emerged from this process is the city's largest development project in decades. The Jac Pac site has been recast as River's Edge - a project that involves the clean-up and redevelopment of the site into a 236,000 sq.ft. urgent care facility for Elliot Hospital (expandable to 349,000

sq.ft.), a 111,000 sq.ft. medical office building, a three-story residential building, a 13,000 s/f commercial building and a four-acre riverfront park.

The anchor facility, Elliot at River's Edge, will include urgent care, diagnostic imaging, pulmonary rehab, physical rehab, outpatient cardiac care, physician offices and more. The adjacent medical office building will be leased to various private medical practitioners. Overall, River's Edge is expected to create at least 250 to 300 new jobs in addition to numerous jobs that will be relocated from elsewhere in the city. The existing Elliot Hospital will remain as a center for in-patient care and other services. The new Ambulatory Care Center at River's Edge will be the largest building of its size in Manchester to be designed 'green'.

'What we're looking at is the most significant project in Manchester in the last 30 years' said Jay Minkarah, director of economic development for the city of Manchester. 'Anagnost Investments and Elliot Hospital's commitment to the city is a testament to the overall strength of this community. River's Edge enhances our role as a center for healthcare in northern New England and the jobs and additional tax base created will significantly strengthen our economy. Further, the design and quality of construction, including the use of green building principals, reuse of a former brownfields site, the preservation of open space, and the mixed-use nature of the development will stand as a bold example the type of forward thinking development that Manchester strives to champion.'" The new facility is applying for LEED certification and 95% of the onsite construction team was made up of New Hampshire residents.



Completed 236,000 square feet Urgent Care Facility